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FISCAL IMPACT STATEMENT

LS 7222

BILL NUMBER: HB 1422

NOTE PREPARED: Jan 10, 2004

BILL AMENDED:

SUBJECT: Off-Road Vehicles on State and Local Highways.

FIRST AUTHOR: Rep. Kruse

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill requires the owner of an off-road vehicle to register the vehicle with the Bureau of Motor Vehicles (BMV) before operating the off-road vehicle on a highway. It requires a person operating an off-road vehicle on a highway to possess a driver's license. The bill provides that an off-road vehicle may not be operated on a highway unless the off-road vehicle meets certain equipment requirements, has been inspected, and financial responsibility requirements have been met. It requires seat belt use by occupants and helmet use by occupants less than 18 years of age if an off-road vehicle is operated on a highway. The bill sets a \$12 fee for registration of an off-road vehicle. It makes conforming amendments.

Effective Date: July 1, 2004.

Explanation of State Expenditures: For the BMV, there will be computer changes required to program the new type of vehicle subject to registration, along with the need for a license plate and/or some other indicia of registration. The fund affected is the Motor Vehicle Highway Account which supports the BMV.

The Department of Natural Resources (DNR) reports that in CY 2003, there were 31,553 off-road vehicles registered in the state.

Prison Enterprise Network (PEN Products), the manufacturing arm of prison-made products, submits charges to the Bureau of Motor Vehicles (BMV). PEN charges the BMV \$3.80 per plate for passenger motor vehicles and trucks. PEN charges \$0.12 per sticker. The costs involved could amount to approximately \$120,100 for an estimated 31,600 license plates and approximately \$3,792 for the same number of stickers, or a total of \$123,892. The actual cost involved will depend upon the number of license plates and/or stickers manufactured and the specific indicia of registration established by BMV for use on off-road vehicles. The funds affected are the PEN Products Revolving Fund for PEN Products and the Motor Vehicle Highway Account which supports the BMV.

Explanation of State Revenues: The proposal requires an annual registration fee of \$12 for off-road vehicles to be operated on a highway. The estimated annual revenue would amount to \$378,636 if all 31,553 vehicles registered. The actual revenue will depend upon the number of off-road vehicles registered.

Background Information: Off-road vehicles are currently subject to a \$30 registration fee every three years with the Department of Natural Resources.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Bureau of Motor Vehicles; Department of Natural Resources.

Local Agencies Affected:

Information Sources: Tina Marie Everling, Department of Natural Resources, Snowmobile and Off-Road Registration, 317-233-4139; PEN Products pricing for the 2003-2005.

Fiscal Analyst: James Sperlik, 317-232-9866.